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# The Organized Farmer

OFFICIAL ORGAN OF FARMERS' UNION OF ALBERTA

10128 - 98th Street, Edmonton, Alberta. Phones 25481 - 25965

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## Special Notice

We wish to remind all members of the F. U. A. Income Tax Service. All those interested should contact our Consultant, Mr. B. C. Oliver, whose office is in Room 614, Northern Hardware Building, Edmonton.

FLASH — The F. U. A. membership has now passed 60,000.

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## President's Report

Well, thank goodness, the holiday season is past and we can now proceed without interruption with F. U. A. work. At last our over-worked staff at Central Office is beginning to see over the top. However the aftermath of Roundup Day will be with us for some time yet. At this time of writing (December 13) the count of membership has reached the 57,000 mark and is still proceeding, though the end is in sight.

It would appear that our modest objective of 51% of the farmers of Alberta, can be reached. Needless to say, it is the first time in the history of Alberta, that a farm organization has reached any such figure either in percentage or in total membership. However we must not stop here. There are still many districts in the Province where considerable areas have not been canvassed. To make the F. U. A. the spokesman of the farmers, we need a majority in every district. To rest on our oars now would be a blunder as well as a breach of faith with those who have joined the Union.

In connection with the membership secured by the Drive, two jobs are still far from finished. The first is to issue the actual membership cards for 57,000 and more members. This is a big job to do in such a short period of the year together with the careful accounting of the different kinds of membership which accompanies it. This is not a job which can be rushed, or done by inexperienced help or many mistakes will result.

The other big job arises from the fact that the subscription list of the Organized Farmer has doubled since November 22nd. For each new subscriber a new addressograph plate has to be cut and filed in proper order after a careful check to determine which are renewals, etc. To cut and file 12,000 new plates is a long slow job. This job cannot be completed for some time yet and we must ask the indulgence of all our new subscribers till it can be finished. It is most regrettable that all new subscribers could not be put on the list in time to receive the Convention issue of the Organized Farmer. However they will all get 12 months issued from the date they are put on the list.

On January 3rd, our delegation interviewed the Provincial Cabinet. This year we met the full Cabinet and they gave us a long and attentive hearing, lasting from 10:00 a. m. until after 1:30 p. m. A synopsis of the business taken up with them and their response to our reasoning, will be found in this issue on page —.

The discussion was in the main, cordial and friendly, but as you can see from the record, while the ministers agreed with us on many of the less important questions, they were as tough as ever on most of the main issue. It seems to me that one of the big questions before our Union with its large new membership, is to devise a way of showing

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our Governments, both Provincial and Federal, that we are not fooling when we ask for action on things which can easily be done. So far, we have never been in a position to act in a convincing manner towards our politicians. It is my opinion that more attention should be given to ways by which this can be done.

One of the problems immediately ahead of us is the question of our new F. U. A. headquarters. It is obvious that we cannot remain much longer in our present quarters. We should build in 1955. However we have only \$30,000 in the building fund. During the whole of the Roundup Day Campaign the building fund had to be temporarily neglected. That was inevitable. However, the Convention considered this matter and passed two resolutions on it. First, that all locals which did not contribute their share to the Building Fund so far, be asked to make a contribution, and second, to ask all locals to put on some kind of a social event to raise money under the title of "Building Fund Night." We know that times are hard in many areas, but if the locals will each do something, no matter how small, the result will be large. I hope you will all do your part. Your co-operation will build a home for our Union of which we can all be proud.

### FREE PAMPHLETS

The pamphlets listed below are available without charge on application to the Publicity Department, Alberta Wheat Pool, Calgary, Alberta.

A few of them are in limited supply right now but will be mailed in order of requests received.

The Story of Wheat.

Student's Story of Wheat.

Save Our Soil.

Farm Viewpoint on the Crow's Nest Pass  
Agreement.

Summary of Wheat Board Operations.  
Farm Account Book.



# Inter-provincial Farm Union Council Submission

## TO THE DOMINION-PROVINCIAL AGRICULTURAL CONFERENCE AT OTTAWA, DECEMBER 6th, 7th, 8th, 1954

The Interprovincial Farm Union Council, representing the farm unions of Ontario, Saskatchewan, Alberta and the B.C. Block, welcomes the opportunity of attending this conference as one of the spokesmen for the agricultural industry of our country.

We are proud to refer to the farm union council as a "grass-roots" organization. The provincial organizations that comprise this interprovincial farm body are supported by the membership fees of farm men and women who formulate and direct its policies. Thus the recommendations the farm union council submits to this and to other conferences originate with farm men and women living on the land. And the council reports back through its organization channels, directly to its farmer members.

We believe that an annual dominion-provincial conference to discuss the big issues confronting agriculture, and to work out a national agricultural policy is not only desirable but essential.

But it is only right to say at this point that we are not interested in the type of conference that will content itself merely with exploring production and other farm problems.

The Interprovincial Farm Union Council is convinced that the conditions confronting our agricultural industry throughout Canada today demand a constructive and positive approach that will produce solutions for some of the most pressing problems.

This conference was first organized during the years of World War II and we understand that its original purpose was to encourage the production of farm foods needed to help Canada carry out its commitments to our allies, and to prosecute the war. It was successful in directing production into the required channels and the conferences accomplished something worthwhile.

In the post-war years, the federal government has relinquished its war-time powers, and the original purpose of the conference has disappeared. While the dominion-provincial conference on agriculture is still held annually, it appears to us that it has developed mainly into a clearing house for the discussion of problems about which nobody is prepared to do anything. There is a tendency to adopt the old *laissez-faire* idea.

And yet the problems of agriculture are as urgent and even more complex than in war-time. The main problem today is not one of production. It is rather one of markets and prices. The gap between the prices received by farmers for the products they raise and the prices of the things the farmers must buy has widened dangerously in the past three

years. Today that gap constitutes a serious threat not only to agriculture, but to our whole national economy. It may be argued that we cannot do a great deal about prices for our farm exports. But that argument does not apply to the prices of farm products that are sold on the domestic market. And these prices are out of line with those for industrial goods and services. As a result, Canadian farmers are faced with a steady increase in overhead costs while their income continues to decline.

Discussion, although necessary and desirable, is not enough. The airing of different points of view at a conference such as this should be merely a prelude to action. What farmers and farm women want today, and what they urgently require, is the implementation of a long-term agricultural program by both the federal and provincial governments — a program that will place the agricultural industry on a par with other sections of our Canadian economy, and give farm people their proportionate share of the national income.

Therefore, we would respectfully suggest that this conference centre its attention on strengthening the farm price structure instead of dissipating its energies and time on lesser problems.

The Interprovincial Farm Union Council strongly urges that after thorough discussion of the price disparity that exists between farm products and those of other industries, the conference should draft specific recommendations to correct this situation.

Some of you may not agree that surveys of general farm practice, production techniques, improvement of marketing machinery (including the setting up of producer marketing boards) farm credit, crop insurance, and other topics, are matters of minor importance.

We agree that they are of major concern to farmers and all others interested in the welfare of agriculture. The Interprovincial Farm Union Council has, on numerous occasions, made submissions and recommendations dealing with these problems to governments, government boards and commissions as well as to the agricultural committee of the House of Commons.

But we submit that all these problems — urgent though they may be — are secondary to the all-important question of establishing prices for all farm products consumed in Canada that will bear a proper relationship to the prices of the goods and services that farmers must buy.

We are convinced that once this done, it will be comparatively easy to find solutions for these other problems. And we believe further that farmers them-



selves, if they are in a financial position to do so, will tackle and solve some of them.

And so we urge, most earnestly, that this conference recognize the fundamental cause of the threatening situation that confronts not only farmers, but Canada as a whole, and that it make a sincere effort to see that action is taken to remove it.

At the Dominion-Provincial agricultural conference held last year in Ottawa there were indications that at least some of the delegates recognized the existence of the danger that declining farm income posed to our economy. There was some suggestion that future conferences give precedence to prices and markets instead of to production.

The government's own statistics clearly indicated last year that there were definite storm signals on the agricultural front despite higher-than-normal production.

There may be a tendency this year to blame crop failure on the prairies and lower production of various farm commodities in other areas as the root of our troubles. It is true that in many sections of Canada, and particularly in the West, poor crop returns have aggravated the situation. But anyone who is familiar with the facts knows that one poor crop cannot destroy a sound agricultural economy.

The blunt truth is that in the past three years the position of agriculture has deteriorated steadily. The farmers' percentage of the national income has gone down. Income per farm family has receded with each successive year. And farm income measured in terms of relative purchasing power today is lower than in almost any other basic period that might be chosen for comparison.

The farm unions are gravely concerned with the worsening financial position of rural people. They believe that there is something fundamentally wrong with an economy in which farm people must work harder and produce more only to get less and less — in terms of purchasing power — for the fruits of their labor.

And yet, while farm prices have been sliding downward, retail prices for food stay much the same, and in some instances are even increased to the consumer.

Under these worrying circumstances, some people have presumed to advise farmers that they must take prices as they come, and sell their products in the so-called "free market", which, erroneously, is supposed to follow the law of supply and demand.

Farmers, of course, are accustomed to getting plenty of armchair advice. Possibly no other group in the country gets so much of this commodity free. Or so much advice where the value closely approximates the cost.

No one but a Rip Van Winkle could seriously argue that our great manufacturing and processing industries permit the free market and the law of supply and demand to set their prices.

So far as industry and most services are concerned, we are living in an age where price main-

tenance, and, in most cases, fixed prices, are part of the established order of things.

Manufacturers and others, in an attempt to justify this state of affairs, point to the fact that overhead and wages (always excepting profits) are more or less fixed and cannot be reduced.

We would hasten to point out that the mechanization of agriculture, the increased cost of farm labor in a competitive market, and the price of consumer goods, have confronted farmers also with ever-increasing operating and overhead costs. It follows that any drop in the prices of agricultural products below the level required to meet these fixed charges puts the farmer in an impossible situation. His meagre reserves soon disappear; his borrowing power is rapidly exhausted. As a result he is pushed out of the business of food production and his only resort is to become an urban dweller and seek a job in industry or as a wage or salary earner in some other field.

At this point, we would like to refer briefly to proposals put forward by officials of other farm groups at two previous conferences, that agricultural production should be restricted in an effort to maintain prices. Last year a wheat acreage reduction of thirty percent was advocated. Nature has taken a hand in 1954 and decreased acreage for us by more than the suggested figure. But the farmers' position has not improved. Our difficulties have, if anything, become greater, indicating that production restriction is no palliative, let alone a practical solution.

The farm unions have never subscribed to a program of restricting production. And a careful check among farm men and women has failed to turn up any representative group that has suggested any such course. For this reason as well as others, the farm unions believe that production restriction is not only contrary to the wishes of farm people, but that in the long run it may be detrimental to their economic and social interests.

The farm unions view with concern the spread of communism. We firmly believe that the growth of communism is due to the fact that millions of people throughout the world are underfed and suffering under the twin scourges of poverty and injustice.

The Interprovincial Farm Union Council believes that if democracy is to survive, it must be prepared to encourage agricultural producers to increase rather than curtail the production of food, and to formulate programs under which abundance can be distributed to the hungry. The first step is to provide agriculture with reasonable guarantees of price stability. We believe that food will do more to remove the communist threat than the atom bomb, and that an investment in encouraging food production will do more to insure peace than the monies presently being spent on armaments.

The lack of stability in Canada's agricultural industry presents a challenge to the whole nation.



In our young and expanding economy, it may be possible to have a major agricultural depression even while the flow of foreign capital and the expansion of other resources maintain some sections of the economy in a relatively healthy state. But such a condition can be only temporary. Eventually the paralysis affecting agriculture will spread to every other part of the economic body. No country can remain prosperous unless agriculture enjoys its fair share of that prosperity.

The United States appears to be an outstanding example of the value of safeguarding agriculture. It has provided legislation to ensure fair prices for its farm producers. And the general economy of the U. S., largely as a result of this policy, we believe, has been maintained in a far more buoyant position than that of many other countries, including our own.

Price fluctuations, contrary to popular belief, penalize the consumer instead of benefitting him. Many people argue that a fire sale of agricultural products, with ruinous consequences to the primary producer, is a boon to the consumer. In actual practice, it has not worked that way in the past. Statistics indicate that low prices for food are rarely passed on to the ultimate consumer. There have been instances where retail prices have gone up while prices to the farmer declined. Another factor that must be considered is that depressed prices discourage production. Farmers curtail their production with resultant scarcity. Ultimately the consumer must pay a much higher price for the scarce products than would have been the case had normal production been encouraged by fair prices to the producer.

The events of this century have amply demonstrated that a "boom and bust" policy for either production or prices benefits no one — neither the producer nor the ultimate consumer. If Canada is to make democracy work, it must have a stable economy, and we submit that this is impossible unless agriculture is assured of price stability.

We believe that Canada cannot afford to delay action to make price stability for agriculture a reality instead of a pious hope.

And while such benefits as agricultural credits, crop insurance, marketing boards and the like should undoubtedly be incorporated in a broad national program for agriculture, we believe that this conference should limit its recommendations to the fundamental issue of price stability without which no program can hope to succeed.

We would ask, therefore, that this conference:

1. Recommend that the federal government immediately adopt as part of a new national agricultural policy, the principle of a basic price formula for agricultural products sold on the domestic market (such prices to be based upon and adjusted from time to time to bear a favorable relation to the costs of goods and services required by farmers; and further that provision be made for adequate floor prices for that portion of farm products sold on the export market;

2. That the provisions of the Agricultural Prices Support Act be extended to include cereal grains as well as other agricultural products.

3. That the federal government adopt a policy of appointing actual producing farmers and farm women to important government boards and commissions that deal with problems directly affecting the agricultural industry.

The Interprovincial Farm Union Council believes there will be general agreement that these are fair and reasonable requests, and we would ask for your support in advancing them, to the end that Canadian citizens of all walks of life may enjoy abundance that our great natural resources coupled with an industrious population, can produce.

Respectfully submitted by  
The Interprovincial Farm Union Council.

## 1952 Income Tax Statistics

Over 77% of the income taxpayers in Canada for the year 1952 averaged incomes of \$4,000 or less. Total income tax payers for that year were 3,125,100 of which 2,531,950 were in the income brackets of \$4,000 and less. Some 986,500 taxpayers, or about 31% of the total, were in the income brackets of \$2,000 to \$3,000.

These are some of the interesting items contained in the latest publication of income tax statistics, just released by the taxation division of the Department of National Revenue. The year 1952 is the latest for which complete statistics are available.

Total income of taxpayers for the year 1952 was \$10,274,000,000, and the total income tax collected was \$1,074,000,000, or approximately 10% of the total income.

Highest group in income was shown to be the consulting engineers and architects, with an average income of \$12,266. Next in order came doctors and surgeons with an average income of \$10,522, then lawyers with an average income of \$9,222.

Farmers were 16th in line with an average income, of those taxable, of \$3,967. Fishermen were 17th in line.

Employees were the largest classified group of taxpayers, totalling in number 2,753,590, with an average income of \$3,036.

A total of 196,380 farmers filed income tax returns for 1952, of whom a total of 67,830 were found taxable. These paid a total of \$27,500,000 in income tax.

Taxable companies in 1952 totalled 32,432, reporting a profit for income tax purposes of \$6,000,000. Total tax paid was \$1,000,000.



# Canada's Economic System

By Alexander Calhoun

When I was a boy, Canada's economy was essentially agricultural and industrial development was in its infancy. While farm production has increased tremendously in the last 60 years, our economy has become increasingly industrial. The two world wars have greatly speeded up this process. For example, Canada made no aeroplane engines or tanks until the Second World War.

## OUR INDUSTRIAL REVOLUTION

Accompanying this industrial revolution and a natural result of it, has been the growth of our cities. Canada's urban population has increased from 5,572,058 in 1931, to 7,941,222 in 1951, or 43%, while in the same period rural population increased only 26%.

Rural population is now only 38% of our total. Urban population is 62%. When I was a boy, rural population was about 62%. That reversal marks a great economic revolution. It is all due to the development of machines, to mechanical invention, to farm mechanization, and the growth of manufacturing and our ability to buy and use the products of our machines. In this period of rapid change and increased production, our standard of living has been steadily rising.

Canada, a country of some 15,000,000 people now ranks sixth among the industrial nations of the world.

## CANADA AS A TRADING NATION

As a result of our developing economy, Canada has become a great trading nation. The total of what we export and what we import, our total foreign trade, makes us the third or fourth trading nation of the world.

## TARIFFS

Our position as a trading nation makes the question of tariffs or the amount of duty levied on imported goods, a very important matter.

Originally we imposed duties to protect infant industries from foreign competition, and these duties were high. Political parties championed high tariffs but as our surpluses have grown and the need to find world markets for them, we have come to see that in order to sell we must be prepared to buy so now all parties tend to favor lowering of tariffs.

Canada is a member of Gatt, an international organization of over thirty nations, committed to a gradual removal of all restrictions to the movement of world trade.

Tariffs are a part of our economic system we might say, a necessary evil.

## CANADA'S ECONOMIC SYSTEM

It is usual to describe Canada's economy as a free enterprise economy. By economy I mean simply

the way in which our work and the production and distribution of goods is organized.

Our economy is far from being a free enterprise economy. It is really a mixed economy, as are most national economies today. While the great bulk of business, industry and agriculture is privately owned and operated, there is also a considerable amount of publicly owned enterprises, municipal, provincial and federal.

For example, Calgary municipality owns and operates its own electric light and power system, its transit system, its paving plant, water and sewer systems. Edmonton owns these same utilities, its telephone system and a big electric power plant.

The Alberta government owns and operates the rest of the Alberta telephone system. The Ontario government owns and operates the Ontario Hydro-electric system, the biggest publicly owned light and power system in North America.

Incidentally, the provision of ample supplies of electric power is the life blood of our industrial system. Every workman has at his disposal practically unlimited amounts of electrical power to operate his machines. That is why we can produce so much. Our fast flowing rivers have provided us with the bulk of our cheap power.

The Dominion Government owns and operates the Canadian National Railway, the Trans-Canada Airlines, the C. B. C., the National Film Board, the sale of all uranium and the Wheat Board, the marketing agency for the wheat, oats and barley of our prairie farmers. But, perhaps the most important single nationally owned enterprise is the Bank of Canada, established in 1935. It issues all our money, channeling it through our private banks. It controls the total of our money supply. It exercises certain controls over our private banks, including the supply of credit. It controls interest and discount rates. It can take certain measures to control inflation and to prevent a depression.

## CO-OPERATIVES

Consumer and producer co-operatives are also an important part of our economy. The Wheat Pools are producer co-operatives. A co-operative store is a consumer co-operative. There is a co-operative oil refinery in Regina. There is a very extensive co-operative movement in Canada. Credit Unions are co-operative agencies in the credit field. Co-operatives, like publicly owned enterprises, are an essential part of our economic system.

Now, why have these various functions of our economy been taken over by government bodies and co-operatives? Generally speaking, one might say, because our people did not think they were getting a fair deal from private business, or to prevent the abuses of monopolistic power. They have



tended to promote a healthy competition and better service to the public.

A Dominion Government National Housing authority has greatly encouraged the building of homes by providing for loans at a moderate rate of interest. Good housing is important to our economic system, and the construction industries provide a great deal of employment.

### CANADA'S TRADING POSITION

It is important to understand Canada's foreign trade position, if we are to understand our economic system. We sell abroad a great deal of surplus food and raw materials from our farms, mines, forests, and fisheries. We sell also considerable manufactured goods, and of course, we buy from all over the world the things we need which we cannot produce ourselves.

Great Britain and the U.S. are our two most important trading partners. We sell to Great Britain much more than we buy from her, and we buy from the U.S. much more than we sell to her. The U.S. has much the biggest share of our foreign trade, but her relatively high tariffs restrict our exports to her. Were we to process and fabricate more of our raw materials, it would be still more difficult to sell them abroad. For example, there is at present a practically unlimited market in the U.S. for our iron ore. If we were to turn our iron ore into iron and steel, it might be more difficult to sell these to the U.S.

Britain has in the past been the biggest buyer of our farm surpluses, especially wheat, but since the war, her purchases have fallen considerably because she lacks the dollars with which to pay us. If we bought more British goods, Britain would buy more of our surplus food. This is a serious weakness in our economy.

At present there are big surpluses in both the U.S. and Canada, especially of food and raw materials. This condition will probably right itself in a few years but in the meantime our farmers and our producers of raw materials are suffering.

You can see however, how much our prosperity depends upon our ability to sell farm produce and raw materials at a fair price and you can see how our inability to sell our surpluses could cause grave unemployment. The test of a good economic system is its ability to provide full employment and a high standard of living for all its people.

### GOVERNMENT EMPLOYMENT POLICY

Our federal government is pledged to do everything possible to provide employment, if serious unemployment should develop, by public works, road building, irrigation projects, etc. It has also cushioned in recent years, the shocks of unemployment by unemployment insurance, family allowances, and pensions for the old. All these measures help to maintain purchasing power and therefore employment. They too are part now of our economic system but

they did not exist in the great depression of the thirties.

Our federal government also recognizes the importance of a prosperous agriculture by its system of price supports. For example, it has established a floor price for butter and other foods. When the price drops to the floor price, the government buys and stores surplus butter, hoping to sell it later. This is a price stabilization measure. It is also a part of our economic system but perhaps not a permanent part.

Our governments recognize their responsibility to do everything possible to see that all classes of workers receive a fair deal. We have advanced labor legislation both federal and provincial, and minimum wage legislation. These too are an integral part of our economic system.

### TAXATION STRUCTURE

Taxation has a very definite relation to the workings of our economy. Canada has a very complicated system of taxation. Space will not permit extensive treatment and I shall confine my remarks to federal taxation.

The development in recent years of high income taxation, applicable to both individual and company incomes, has been a striking feature of our tax structure and a source of a considerable federal revenue.

Along with high inheritance taxes, both federal and provincial, this prevents the building of great fortunes, and helps to provide the funds for social security.

Too high income or other taxation could be dangerous to our economy which requires constant infusions of fresh capital investment for new plant and machinery.

Special excise taxes upon motor cars and the federal 10% sales tax, lay heavy burdens upon our people and increase the cost of living. The high cost of military defence in recent years has kept taxation very high. Taxation has a very definite relation to our economic system. It adds to the cost of all goods and may cripple our foreign trade since the world's markets are now highly competitive.

### TRANSPORTATION

Canada now has a very efficient transportation system, rail, road and air. Two great railroad systems, a growing network of hard paved highways, great fleets of trucks and an extensive freight, express and passenger air service, all contribute to the efficient functioning of our economic system. For example, we have developed one of the most efficient handling systems for moving our prairie grain great distances to the Pacific and Atlantic seaboards. The new St. Lawrence deep waterway when completed, will further facilitate and cheapen this grain movement and strengthen our economy in other ways.

## CONCLUSION

This brief sketch of our economic system has touched lightly upon the key factors. Our economic system is by no means perfect. It is very sensitive to world forces because we are a trading nation. It calls for the closest co-operation of all parties, workers, employers, governments, if we are to continue to build a strong economic structure.

# The High Cost of Starting to Farm

## A Comparison With Former Times

There is a serious matter that might well be mentioned here. It concerns not so much present day farmers, but those who are seeking to start farming; it refers to the present day extremely high cost of purchasing a farm with the necessary equipment.

John Macoun, in his book "Manitoba and the Great North West" published in 1882, tells us he investigated the amount of money a homesteader with his wife and three children — a family of five — needed to start homesteading on the prairies. He found that a homesteader would require the sum of \$660.00 which would enable him to homestead on a quarter section of land, and later to pre-empt another quarter, and that with this sum of \$660.00 the farmer could support himself and his family until his land became productive and until he became self-sufficing.

Macoun found that at the end of the fifth year, starting with \$660.00, the farmer would have net assets valued at \$3,320.

The days of free homesteading have long since passed and today a man who desires to start farming, must, as a rule, purchase a going concern from someone who has either retired or desires to sell his farm.

In order to find out how much it would cost a man to start farming today, the Searle Grain Company, not long ago, sent a questionnaire to their Elevator Agents, situated in most of the districts of Alberta, Saskatchewan and Manitoba. Each was asked to give information on how much it would cost in his district for the land, for buildings, for machinery and equipment, and for livestock, and how much cash a farm family of five would need to carry on for a year until the farm products could be sold for cash. Most of the Elevator Agents replied and it was apparent from their replies that they had made the most careful investigations and inquiries in their respective districts.

The average came to the following: For land \$13,500; for buildings \$8,956; for machinery and equipment \$8,469; for livestock \$1,580; and for the

needed cash in hand to carry on for a year \$2,099, making a grand total of \$34,604 that would be required for a farmer to purchase a fully equipped farm and just over a half section of land.

If these figures are correct, and inquiries from other sources seem to indicate that they are approximately correct, then there comes to mind the thought of how is a new man to start farming today? Assuming that some organization might put up on mortgage or loan half of the money, how is a prospective new farmer to find the sum of at least \$16,000 cash that he would need? Few indeed could do this. What, therefore, is the future of prairie agriculture as far as new farmers starting up is concerned? Does it mean that tenant farming will gradually increase in Western Canada as it has done in Britain and in many other countries? The thought is left to the mind of the reader, with the belief, however, that this is one problem for which a solution may be found in the future to assure the individual ownership of the farmer who works the land.

## Telephone Prize

The following is a list of the telephone prize winners, on the cards that appeared in September issue of the Organized Farmer:

B. C. Block — H. Nagel, Briar Ridge, B. C.....	\$6.00
Dist. 1 — Cameron R. White, R. R. 1, Sexsmith.....	6.00
Mrs. W. Baird, Beaverlodge.....	4.00
Dist. 2 — Mel Likes, Box 315, Fairview.....	6.00
Frances Hayden, High Prairie.....	4.00
Dist. 3 — Mrs. Marshall Hill, Pibroch.....	6.00
B. G. Chileen, R. R. 1, Pickardville.....	4.00
Dist. 4 — Alex McGregor, Fort Kent.....	6.00
Dist. 5 — Frank O. Ball, St. Albert.....	6.00
Mrs. R. Barnes, Stony Plain.....	4.00
Dist. 6 — E. Haulan, Bremner.....	6.00
Mrs. Ann Mascaluk, Willingdon.....	4.00
Dist. 7 — Paul M. H. Lefebvre, Hughenden.....	6.00
Mrs. Don Gordon, Edgerton.....	4.00
Dist. 8 — Mrs. Cecil Keast, Viking.....	6.00
Douglas Netterville, Box 428, Stettler.....	4.00
Dist. 9 — Mrs. D. G. Whitney, R. R. 4, Lacombe.....	6.00
J. W. Stromberg, New Norway.....	4.00
Dist. 10 — Mrs. F. D. Stevenett, Innisfail.....	6.00
J. J. Garnett, Carseland.....	4.00
Dist. 11 — Mrs. E. Heatherington, Sedalia.....	6.00
(Unable to contact anyone else)	
Dist. 12 — Charley A. Smith, Black Diamond.....	6.00
(Unable to contact anyone else)	
Dist. 13 — Mrs. M. Brocklebank, R. R. 1, Cluny.....	6.00
Mrs. Sam Alberts, Box 729, Brooks.....	4.00
Dist. 14 — Mrs. L. E. Pharis, Magrath.....	6.00
H. J. Miller, Box 108, Lethbridge.....	4.00



# GREEN CROSS BIG 4 SEED GRAIN DRESSINGS

It is time to begin thinking about seed treatments. Losses to farmers from wireworm damage and diseases such as smut, amount to hundreds of thousands of dollars each year in Western Canada. This loss is not necessary. Proper seed treatment can prevent it.

U. F. A. Co-op handles the nationally known Green Cross products. Green Cross Big 4 Seed Grain Dressings provide effective control for Canadian grain growers. Here is what they are:

## **BUNT-NO-MORE —**

a non-mercurial product for the control of Stinking Smut or Bunt of Wheat only. It can be used **immediately** before planting or **months** before, whichever you prefer. It is used at the rate of  $\frac{1}{2}$  ounce per bushel of wheat.

## **50% LINDANE —**

for the control of wireworms in wheat, coarse grain and sugar beets. Two ounces treat enough seed for one acre. Seed should be treated one or two weeks before planting.

## **MERLANE — (dual treatment)**

for the treatment of wireworms and seed-borne diseases in wheat, coarse grain, corn and beans.  $2\frac{1}{2}$  ounces treat enough seed to sow one acre of wheat or coarse grains. Should be applied as close to seeding time as possible.

## **SAN —**

for the control of seed-borne diseases of wheat, coarse grain and flax. Is a mercurial seed disinfectant. Applied  $\frac{1}{2}$  ounce per bushel on wheat, oats, barley and rye.  $1\frac{1}{2}$  ounces for flax.

For detailed information write U. F. A. Co-op. Plan now to buy your seed treatments from U. F. A. Co-op and save money.

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Plan now to get your supply from U. F. A. Co-op, where you make real savings.

Buy Farm Supplies Through

## **U. F. A. Co-op Farm Supply Dept.**

10126 - 98th Street, Edmonton. 125 - 11th Avenue E., Calgary.

# Presentation to the Provincial Cabinet

January 3rd, 1955

The following is a condensed synopsis of the matters presented to the Provincial Cabinet by the F. U. A. delegation and the gist of their replies.

Members of the F. U. A. delegation: Mr. Henry Young, Mrs. W. C. Taylor, Mrs. C. T. Armstrong, Mr. Carl Stimpfle, Mr. Alfred Macyk, Mr. A. Olstead and Mrs. Hicks.

Members of the Cabinet present: Premier E. C. Manning; Hon. Lucien Maynard, Attorney-General; Hon. Norman Willmore, Minister of Industries and Labour; Hon. Ivan Casey, Minister of Lands and Forests; Hon. C. E. Gerhart, Provincial Treasurer; Hon. E. W. Hinman, Minister of Municipal Affairs; Hon. Dr. W. W. Cross, Minister of Health; Hon. R. D. Jorgenson, Minister of Public Welfare; Hon. A. J. Hooke, Minister of Public Works and Economic Affairs, and Hon. Gordon Taylor, Minister of Highways.

The brief was presented in three parts. First six points which the F. U. A. Board considered merited special consideration, then the resolutions and then the provincial points contained in the F. U. A. Program.

**Marketing Legislation** — F. U. A. request the necessary legislation so that Marketing Boards can be set up for any major agricultural product.

Government's reply — Much consideration has been given to Marketing Boards. That 1,800 letters were received and only 1,000 indicated wanting this legislation but that if assurance were available that the majority of farmers wanted this legislation then the government would be happy to grant it but first that people must indicate their desire for this.

**Protection against Seizures and Evictions**—F.U.A. asking for assurance that farmers will be protected against seizures and evictions because of inability to pay debts arising from crop failure.

Reply — Debtors have considerable protection now under existing legislation. In addition the Province still maintains the Debtor's Assistance Board to help debtors make arrangements with creditors. However under Section 22 of the Bank Act banks can proceed regardless of Provincial Acts.

**Financing Young Farmers** — F.U.A. want a plan of financing young people on farms similar to the plan of the D.V.A. Suggest that the government buy land on the instalment plan.

Reply — Government could not see their way clear to give financial help to farmers any more than any other way of making a living, such as stores, etc.

**Assistance to Mutual Telephone Lines** — F. U. A. requesting telephone lines similar to power lines.

Reply — Government not convinced that it is necessary to do this.

**Automobile Insurance** — F.U.A. requesting automobile insurance to cover third party liability and property damage to all automobiles in the Province to be financed by a gasoline tax of 2c per gallon.

Reply — That it would take a large tax to do this, 2c would not begin to provide this coverage.

**Load Limits on Farm Trucks** — F. U. A. want load limits on small farm trucks increased — (the ½ to 1 ton truck).

Reply — Mr. Taylor replied that the government were reviewing this at the present time but did not state that the load limit would be increased.

## RESOLUTIONS

### 1. Industrial Taxes on Farm Property

That we endorse the action of the Surface Rights Protective Association, petitioning the Government to have amended legislation passed which will relieve the title holder of this responsibility of industrial taxes on farm property used by oil companies and placing the tax on those that use such property for industrial purposes and that we seek the support and assistance of other interested farm bodies in our efforts to this end.

The action of the Municipalities in assessing as industrial property the acreages leased by farmers to Oil Companies, if allowed to go forward, will affect the equity of every settlement made by the Arbitration Board. Immediate action by the Government is needed along one of the following lines:

(1) Amend the Assessment Act to provide that the small acreages leased by farmers to Oil Companies shall not be assessed separately nor at an extra value.

Or (2) Pass legislation to provide that the industrial assessment of oil well sites, roadways, etc. shall be charged against the Oil Companies leasing them.

Or (3) Order the Arbitration Board to review every award previously made and provide for extra compensation to the farmer to offset the industrial assessment.

Reply — The Premier agreed with us that a solution must be found and stated that they would look into this.

### 2. Compensation for Land Taken

Request the Department of Highways to make just and equitable settlements and compensation for all property, material required or damages done arising out of the construction of any Provincial Highway where property is required outside of legal road allowances.

Reply — That 2½ times the assessed value of the land was being paid and they considered this to be fair.



**3. Compensation for Clay**

Request the Department of Highways to pay for clay on a yardage basis and a definite figure of at least 5c per yard be paid and that the Government be responsible for the land until it is back to its former condition and further that the Government see that the farmer receives adequate compensation because land is compulsorily taken.

Reply — The Government supplies all materials in building of roads. They are the sole users of clay and don't think it would be too sound a proposition to start paying for clay on a yardage basis.

**4. Municipal Highway Grants**

Request that all or any part of a Municipal grant that is not spent during the year, be carried over as a credit to the municipality to be used by the municipality when it is reasonably possible to do so.

Reply — Mr. Maynard pointed out that this plan of any grant not spent in the year that it was granted for having to be returned was set out in the B.N.A. Act, was really a safeguard for the people's money and the same principle is used in all government departments.

**5. Increased Grants to Municipalities**

Request the Government to increase grants to Municipalities.

Reply — The Government is increasing Municipal Grants every year.

**6. Roads to Oilfields**

Request the Provincial Government to provide and maintain at least one good road into a developing oilfield, road to be of a standard capable of sustaining heavy traffic of oil and drilling equipment.

Reply — Special grants are being given and consideration is being given at the present time to this.

**7. Amendment to the Municipal Act**

Request that the Municipal Act be amended so that resident farmers' wives may vote on money matters in the municipality or county.

Reply — Mr. Gerhart suggested joint ownership. This would give farmers' wives the right to vote on money matters, however agreed to consider this.

**8. Abolition of the Poll Tax**

F. U. A. requesting that the poll tax be abolished in cases where the son over 21 years of age is working with his parents on the farm, or if he is married and the land registered in his wife's name.

Reply — Mr. Maynard pointed out that a poll tax is only imposed when persons are gainfully employed and Mr. Manning stated that he did not think it advisable to change something that is optional.

**9. Assessment on Farms**

F. U. A. request that when making an assessment on farms, the assessor shall notify the farmer of the date of assessment so that he may be present.

Reply — That this idea seemed good.

**10. Local Improvement Districts**

Request that these L.I.D.'s would remain as they are now and that the government undertake to improve these districts with the co-operation of the settlers.

Reply — That it was a matter of where you would draw the line and that it was generally thought that as soon as these districts were able to assume the responsibility of a Municipal District they should be given the opportunity of handling their own affairs.

**11. Development of Local Improvement Districts**

Request that the Government assist in the conversion of raw land into productive farms by promoting a land clearing and breaking scheme for qualified settlers, and land not suitable for farming should be developed for community pastures or in some other way suitable to benefit the neighboring settlers. Also suggest crop share as payment for land clearing costs.

Reply — Some plan in prospect but crop shares not suitable or advisable. Land Utilization Board would help in this case as their representative could go into the Municipality and then advise the Government the best way to look after this type of soil.

**12. Road Building by Oil Companies**

Request that the Government allow these roads to be built along road allowances wherever possible and not across land where they will be a hindrance to settlers and also to settlers who will settle after these roads are built, also that places of business be built if possible in localities where they will be of use to settlers after the oil work is completed.

Reply — It was pointed out that so far as possible, these roads were confined to the road allowances.

**13. Extra Road Costs**

Request the Government to reimburse the M.D.'s for extra road work due to heavy oil equipment travelling over roads.

Reply — Mr. Taylor stated that this heavy equipment on highways is being considered and Premier Manning stated that more flexible grants would have to be allowed for the Department of Highways.

**14. Plebiscite on Rural Electrification**

Request that the Government hold a plebiscite on rural electrification of rural residents other than at election time on whether they would rather have a provincially or privately owned system.

Reply — Premier Manning stated that their policy was set and not likely to change.

**15. Roadside Parks**

Request that the Department of Highways develop additional suitable plots as roadside parks and picnic spots, installing tables, benches, stoves, etc.

Reply — Mr. Taylor reported that they were going forward with this plan, 90 wayside tables had been set up and more sites were being selected.



**16. Control of Oil Prices**

Request the Government to institute some control over oil products such as is maintained by the Board of Utilities over other public services.

Reply — Constant checks are being made and when prices seem out of line, something will be done.

**17. Non-Taxable Gas**

Request Government to change regulations to allow two tanks on farm trucks and all testing for non-taxable gas to be done at the source of use and not at the tank as is being done now.

Reply — All agreed that something should be done as under present conditions it was making law breakers out of honest people.

**18. Signal Lights on Motor Vehicles**

Request that uniform signal lights be compulsory on all motor vehicles.

Reply — Reported that legislation is being prepared making it compulsory to have signal lights on all new vehicles.

**19. Liens Against Land Titles**

Request that before an encumbrance is placed against a title, the owner be notified.

Reply — This is being done.

**20. Analysis of Grain**

Request that the Government set up a centre for analyzing grains, feeds, etc. and also to analyze feeds in years of crop damage.

Reply — University is prepared to do this.

**21. Farm Fertilizer**

Request that the Government investigate the possibilities of acquiring a phosphate rock supply that could be manufactured and sold in bulk at a reasonable cost to agricultural users.

Reply — Mr. Halmrast will investigate.

**22. Shooting of Ducks**

Request that farmers have the right to shoot ducks anytime they see damage being done.

Reply — This is a Dominion Act. Permits will be granted anytime damage is being done.

**23. Compensation for Loss Caused by Rabies**

Request Government to compensate farmers for losses due to rabies.

Reply — That this comes under the Federal Government. The Provincial Government has an extensive 3-year program — \$200,000 spent last year and the same amount the year before.

**24. Health Inspection for Auction Markets**

Request that all livestock and poultry sold through these markets be inspected by Provincial Veterinary Service.

Reply — Amendments were made to the Act last year. The Department of Agriculture is taking care of this.

**25. Retail Grade on Farm Products**

Request that all farm produce sold over the

counter be properly stamped with the grade the farmer received.

Reply — Check will be made.

**26. Graveling Market Roads**

Request the Government to gravel all market roads.

Reply — Mr. Taylor explained how some kinds of soil needed to be built up and if the uncrushed gravel could be worked into the roadbed it helped to build a solid bed. However the Department of Highways would do their best.

**27. Broken Glass on Roads**

Request the Government to do something so that our roads, streets, highways and fields would be free of broken glass.

Reply — All agreed that broken glass is a hazard and will consider ways of overcoming this.

**28. Vent Boxes on Farm Land**

Requesting fairer compensation from Oil Companies for vent boxes installed on farms, suggested \$20.00 for each vent box each year.

Reply — Will discuss this with the Right of Entry Board.

**29. Daylight Saving Time**

Request the Government not to enforce Daylight Saving Time.

Reply — Alberta will not have Daylight Saving Time. Premier Manning stated this is a dead issue.

**30. Commendation of Government re: Highways Safety**

Commending the Provincial Government and especially the Minister of Highways for their stand on Highway Safety and pledging our fullest co-operation in this scheme.

**Provincial Points in the F. U. A. Program**  
(Not covered previously)

**Section 23: Education** — Requesting financing by the Province of at least 50% of the cost of elementary and secondary education, including cost of buildings.

Reply — Grants are being increased steadily and in some areas more than others.

**Section 24: Mothers' Allowance** — F. U. A. asking that Mothers' Allowance be paid in full in all cases where the husband is (a) sent to jail; (b) confined to a mental institution; (c) deserts his wife and children; (d) incapacitated by disease or accident.

Reply — Allowances are made in cases where the husband is sent to a mental institution; after three years' desertion by the father, the mother can qualify for the Mothers' Allowance but Mr. Jorgenson will look into this and asked that anyone knowing of cases where the mother is not being properly looked after, to please notify his Department and the Government will in turn see that the Municipality assumes the responsibility.

**Section 25: Health** — Requesting (a) Action by



the Provincial Government to encourage the setting up of fully staffed health units; (b) co-operation by the Province in any adequate plan of health insurance.

Reply — These requests both in accordance with Government policy.

**Section 26: Compensation to Surface Owners** — F.U.A. requesting adequate compensation of at least \$1,500 per well-site to cover first year damages and for subsequent years a rental of not less than \$500 per year or an alternative policy of 1% gross royalty at the option of the land owner.

Reply — That the Right of Entry Program generally speaking works well and the Government is satisfied with the present procedure.

**Section 27: Seismograph Work** — F. U. A. request that all seismograph work on road allowances be banned, making roads safer and compel oil companies to deal with farmers.

Reply — Couldn't possibly do this as it would hamper exploration for oil.

**Section 28: Rural Electrification** — F.U.A. requesting development of electric power under the Alberta Power Commission with rural lines built into the farmers' yards without any direct cost to the individual. Farmers who have already paid for power lines, to be reimbursed by the Power Commission.

Reply — Nothing new. Government policy still the same as last year. The suggestion that Alberta situation be investigated, not favored by Premier.

**Section 30: Protection Against Trespassers** — F. U. A. request all persons wishing to hunt on property must obtain permission whether land is posted or not.

Reply — That they were agreed something should be done but hard to enforce this. Will investigate.

**Section 31: Reduction of License Fees** — F. U. A. request that license fees on light delivery trucks be reduced to the same basis as automobiles.

Reply — Government reviewing license fees — license will be according to the kind regardless of wheelbase.

**Section 34: Export of Natural Gas** — F. U. A. expressed opposition to the export of natural gas.

Reply — This has been done now.

**Section 35: Property Laws** — F. U. A. requesting revision of the Intestates Succession Act and introduction of Community Property Laws.

Reply — Mr. Maynard stated that they were working on this and quite willing to consider the clause drawn up by Mr. Brownlee for the F.W.U.A.

Crown F.W.U.A. Local No. 919 (Ponoka) have planned a social evening for the winter months, with the F. U. A. local. They also hope to have the District Director, Mrs. Sissons, speak at their February meeting, (Feb. 3rd), at the home of Mrs. Lee Sweet.

## Farm Income and National Income

Net income of Canadian farmers from farm operations in 1953 comprised 8.6% of the total national income, according to latest government statistics. Total estimated net income from farm operations last year is placed at \$1,649,000,000, compared with \$2,072,000,000 in 1951 and \$1,858,000,000 in 1952.

The following table gives the income totals for the various economic groups from 1951 to 1953 and in addition the percentage of each in 1953:

	1951	1952	1953	% of Total
Wages, salaries and supplementary income .....	\$9,716	\$10,818	\$11,661	61.0
Military pay and allowances .....	201	270	309	1.6
Investment income .....	3,642	3,723	3,744	20.0
Accrued net income of farm operators .....	2,072	1,858	1,649	8.6
Net income of non-farm unincorporated business .....	1,507	1,552	1,680	8.8
Net national income at factor cost .....	\$17,138	\$18,221	\$19,043	

## Requisites of a Grain Buyer

"Must be a man of vision" and a go-getter, lots of ambition, good talker and entertainer, work all day and appear fresh and up and coming; spend no money for a bed; just sleep in the office and economize in every way possible, so you can entertain your friends when you meet them up-town.

"Must be a man," a ladies' man, a model husband, a fatherly father, a good provider, church man, Liberal, Social Creditor, Conservative, C. C. F. and fast dealer, a technician, politician, mathematician, electrician and mechanic.

"Must be able to entertain" customers' wives and sweethearts, be an expert driver, talker, dancer, golf player, bridge player, poker hound, diplomat, financier, capitalist, and an authority on chemistry, psychology, dogs, cats, horses, machinery, etc.

"Must be a good credit manager," have no loan loss, grade loss, dockage loss, collect all storage, collect all interest, collect municipal taxes, hail insurance, etc. Be a good correspondent, attend all meetings about town, tournaments, funerals, visit customers in hospitals and jails and in spare time look for new business, do a little missionary work.

"Must have unlimited endurance," listen to other fellows' hard luck stories, keep grounds clean, clean boots, all elevator clean, keep spick and span, eat dust, pay all your bills promptly, stand all treats when out, pay income tax, and don't make a mistake — for it will come out of you.

Has the writer missed anything?

(Must be a curler — a good curler).



# Farmers' Union of Alberta

10128 - 98th Street

Edmonton, Alberta

**EXECUTIVE:****F.W.U.A. EXECUTIVE:**

President — Henry Young, Millet.

President — Mrs. W. C. Taylor, Wainwright.

Vice-Pres. — Carl J. Stimpfle, Egremont.

1st Vice-Pres. — Mrs. C. T. Armstrong,

A. B. Wood, Dewberry.

2113 - 29 Ave., S. W., Calgary.

Arthur R. Hadland, Baldonnel, B. C.

2nd Vice-Pres. — Mrs. C. R. Braithwaite,

Archie Hogg, High River.

Box 173, Red Deer.

**JUNIOR EXECUTIVE:**

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President — Harold Schielke, Carstairs.

1st Vice-Pres. — George Thompson, High River.

2nd Vice-Pres. — Paul Calon, Michichi.

Executive Member — Ron Pollock, Hualta.

**BOARD OF DIRECTORS****District F. U. A.**

1. Uri Powell, Sexsmith
2. H. P. Marquardt, High Prairie
3. Clare Anderson, Freedom
4. Alfred Macyk-Sprucefield
5. Charles Seeley, Cherhill
6. S. A. Sanford, Vegreville
7. Mrs. Mildred G. Redman, Hardisty
8. W. R. Hansel, Gadsby
9. G. L. Pritchard, R. R. 2, Wetaskiwin
10. F. Johnson, Red Deer
11. James A. Cameron, Youngstown
12. James Derrick, High River.
13. Anders H. Anderson, Box 327, Med. Hat
14. Arnold W. Platt, 714-7 St. S., Lethbridge

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- Mrs. Sam Alberts, Brooks  
Mrs. M. B. Pharis, Magrath

**JUNIOR F. U. A.**

- Patsy Carty, Beaverlodge  
Norris Nordin, Enilda
- Wilma Popowich, Rat Lake  
Sharlene Fuhr, Stony Plain  
Elizabeth Lowe, Vegreville  
D. Christopherson, Wainwright  
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Walter Scheldt, Didsbury  
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John Webber, Milo  
Gordon Swanson, Scandia  
Ray Long, Spring Coulee  
Dora Nelson, Dawson Creek.

B.C. Block: Mrs. W. Velander, Dawson Creek  
VETERANS' SECTION: Chairman: R. E. G. Armstrong, Parkland; Secretary — E. Gill, Irvine.

## EDITORIALS

### Problems of 1955

1955 will be the most important year so far in the history of the F.U.A. Our new and enlarged membership makes the Union the natural spokesman for Alberta farmers. In this new role there is much work which can be done through the organization. First of all our membership must be grouped into locals where none have existed in recent years. Next, those locals, and those inactive in the past, must be placed on an active basis. This is absolutely necessary if the Union is to be the effective force that we all want to make it.

This year some important decisions will have to be made. As the spokesman for the farmers of Alberta we are presenting our requests for action on various matters to both the Provincial and Federal Governments. If these Governments take no adequate action on the things we are asking for, what shall we do? Shall we remain quiet and continue to take it, or shall we plan a course to induce action on their part? That may be the big problem of 1955.

This year we must solve the problem of a new headquarters for the Union. Our present space is both inadequate and unsuitable. A decision on this must be made and made soon.

Our relations with the A. F. A. will continue to be a problem this year. The illogical situation of having two farm organizations affiliated and yet both claiming to represent all the farmers, will continue to vex us until it is solved. Before too long this situation must be cleared up.

Adequate publicity for the Union is another problem for 1955. So far our publicity has been a hit or miss affair with the basic idea being that no money must be spent on it. During the Roundup Day drive we did put a little money into publicity and it certainly paid off. It is probable that money judiciously spent on further publicity would be a good investment, in the near future.

The finances of the Union have always been a problem. That situation will continue in 1955. Of course we have collected a large amount of money in the Roundup Day drive. The figures look impressive but the costs have also been high and in general, these costs have almost all been borne by Central Office. Canvassers' commission will run into large figures this year as it was paid on almost all memberships. In addition to this, we must expect to provide increased service to our greatly increased membership. All in all, our finances will



still require careful watching this year.

There is a great deal of mop-up work still to be done to cover the areas missed in the drive. In this job there will be a point after which the cost begins to outweigh the gains. Of course we want to raise our percentage of farm membership just as high as possible this year. From the standpoint of prestige and influence it will pay us to do too much rather than too little. However the decision where and when to draw the line may be one of our problems.

Then there is the question of just how far we should go in our support of the Inter-provincial Farm Union set-up. Some of our more ardent spirits would like to push ahead towards the building of a National Farmers' Union this year. A good many of our members are heartily in support of the Inter-provincial Council as the spokesman of the Prairie Unions in dealing directly with the Federal Government. That is probably as far as the majority is prepared to go at present. To reconcile the extremes of opinion on this point, will be one of the problems of 1955 and probably 1956 too.

Altogether it looks like an interesting year. Let us all do our best and we need have no fear of what it may bring.

## Let's Go After Car Insurance

For several years the F. U. A. has asked the Provincial Government to set up a system of Car Insurance for Alberta motorists. So far nothing has been done. This year the F. U. A. Board decided to push this as a special project for 1955.

What we are asking for is a system under which adequate Public Liability and Property Damage Insurance would be issued at cost with each car and truck license. This would serve two purposes; first, to ensure that every car and truck on the road carries insurance; and second, to provide that necessary insurance at the lowest possible cost. For the protection of the public, this type of insurance is necessary. But it would not be fair to force all motorists to take it unless it is provided at cost. Only a provincial plan will provide this.

It is very timely to press for action on this matter now. Alberta has just had still another increase in car insurance rates. On the other hand Saskatchewan, with a Provincial Insurance plan on a cost basis, will have a 30% decrease on most cars on April 1st. It is obvious that the private Insurance Companies, with their ridiculously expensive ways of doing business, cannot give us the kind of deal we need. It is not hard to see the reason. We have about 160 companies writing car insurance in Alberta. Under their system Agents' Commission and overhead expense take a large part of the motorists' dollar. That is why rates go up almost every year here and still the companies claim they are not making money. If they are not, then they are certainly wasting it.

It would be a great boon, not just for farmers but for all Alberta motorists to get a Provincial Insurance plan set up in 1955. Every person interested in this important project should make it a point of contacting his M.L.A. and urging him for action on Car Insurance. Locals can help by sending resolutions to their M.L.A. This is one of the projects on which we will get results just as soon as the people generally take enough interest in it.

Generally speaking, governments hate to take action along any new line. They like to stick to the old beaten path. Only when public opinion pressure mounts sufficiently can they be induced to act. Our government is much like the rest. If we want Car Insurance in 1955 we shall really have to turn on the heat. If every member of the F. U. A. will think and talk Car Insurance during the next two months, the effect will be irresistible. Why not go all out for a Provincial Car Insurance Plan to set up during Alberta's Jubilee Year?

## District Activities

### DISTRICT 14 PRESIDENTS' CONFERENCE

Talks on how to conduct meetings more efficiently and improve program planning, highlighted the Presidents' Conference of District 14, held in Lethbridge. More than 50 executive members of F. U. A. Locals attended.

Guest speaker was Col. E. W. Cormack of the Extension Department of the University of Alberta. He spoke on program planning for local meetings. All programs should have a clearly defined objective and this objective should be to the welfare of the F. U. A. people. He said that the objective could be divided into such categories as economic welfare, educational, cultural and recreation. In planning a program, a committee should be formed with every member responsible for some definite part of the activity.

District Director, Arnold Platt, urged the executives of the locals to have guest speakers at their meetings to discuss problems pertinent to their organization. He also urged locals to take part in community projects. He suggested group activities such as organized tours.

District President, H. R. Patching, discussed the organization of the F. U. A. from the local level up.

Mr. W. Logan, Provincial Organizer, described the results of the organization's "Roundup Day." He was definite that 51% would be achieved.

### DISTRICT 14 ANNUAL CURLING BONSPIEL

Final plans for the annual curling bonspiel for locals in District 14, which will be held in the Lethbridge Civic Ice Centre, March 7th, 8th, 9th and 10th, were made. This year provision has been made for 64 rinks to participate. There will be three main



# Amalgamation for a Prairie Regional Co-operative Wholesale

**Review of Events** — The idea of consolidating the consumer co-operative movement was introduced by A.C.W.A. President, J. R. Love, at the 1954 A.C.W.A. annual meeting, held in Edmonton, January 12th and 13th, 1954. At this meeting the following resolution was passed unanimously:

"Resolved that this annual meeting requests the A.C.W.A. Board of Directors to explore the possibilities of consolidating the production and distribution of consumer goods and farm supplies in the Prairie Provinces."

At the annual meeting of Saskatchewan Federated Co-Operatives Ltd. held the following week, Mr. Love was invited to speak on the same subject. At this meeting the same resolution was introduced and passed unanimously.

At the time of the annual meeting of Interprovincial Co-Operatives Ltd. held during February, 1954, in Winnipeg, representatives of the Manitoba Co-Operative Wholesale, Saskatchewan Federated Co-Operatives Ltd., U.F.A. Co-Operative Ltd. and the A.C.W.A. met to discuss this matter. The following opinions were expressed:

1. An independent survey should be made by a competent firm of business consultants. (Dr. Werner K. Gabler of Washington, D.C., was selected for this task).

2. The amalgamation of Manitoba and Saskatchewan should be the first stage towards organizing a Prairie regional co-operative wholesale.

3. The U.F.A. Co-Operative Ltd. and the A.C.W.A. should consolidate and then come into the plan as a united movement from Alberta.

**Decision to Amalgamate** — The boards of the Manitoba Co-Operative Wholesale and Saskatchewan Federated Co-Operatives Ltd. met and unanimously agreed to recommend amalgamation to their respective memberships following the completion of the survey made by Dr. Gabler, in which he summed up his report with these words: "We therefore recommend that the two organizations merge as soon as possible."

**Method Adopted** — Once the decision to amalgamate had been decided, the solicitors of both

organizations were asked to work out the easiest and most practical method of legally doing so.

There were three alternatives of completing the amalgamation.

1. Through registering as a Dominion Company. This would be a costly procedure and would take a long time to complete.

2. By using the Manitoba charter and having Saskatchewan Federated Co-Operatives transfer its assets, liabilities and members' equities to the Manitoba Co-Operative Wholesale. The Manitoba charter was purely a Provincial charter and its powers were somewhat limited.

3. The Saskatchewan Federated Co-Operatives' charter, which was designed as a result of the amalgamation of the Consumers' Co-Operative Refineries Ltd. and the old Saskatchewan Co-Operative Wholesale, was more suitable. Saskatchewan Federated Co-Operatives Ltd. being registered in Alberta and British Columbia, was already doing business in more than one province.

It was therefore decided to use the third alternative. The main features of the amalgamation are:

1. The Manitoba Co-Operative Wholesale agrees to transfer all of its assets and all of its business as a going concern to Saskatchewan Federated Co-Operatives, as from January 1st, 1955.

2. Saskatchewan Federated Co-Operatives Ltd. agrees to assume, as from January 1st, 1955, all of the liabilities of the Manitoba Co-Operative Wholesale.

3. For every ten fully paid up common shares in the Manitoba Co-Operative Wholesale of the par value of \$10.00, one fully paid up share in Saskatchewan Federated Co-Operatives Ltd. of the par value of \$100.00 will be issued. Odd amounts left over will be credited to each member as a payment on additional shares.

4. All other members' equities in the Manitoba Co-Operative Wholesale will be called in and new equities of a similar amount, kind and description will be issued to the Manitoba members in Saskatchewan Federated Co-Operatives Ltd.

**Informing the Members** — District meetings were held in both provinces to discuss with local member co-operatives, the amalgamation plan.

Advantages of the amalgamation were outlined in a special letter drafted by wholesale officials and mailed by many local co-operatives to their members. The letter reads in part as follows:

(1). "In business today there is a marked tendency to amalgamate smaller business firms into large business organizations, with a large sales

## DISTRICT 14 ANNUAL CURLING BONSPIEL

(Continued from previous page)

events and one consolation. Trophies and prizes will be awarded winners in each event. On the second night of the bonspiel, a buffet supper will be served in the Marquis Hotel. As usual the Bonspiel is expected to be a big success and a grand chance for members to become better acquainted.



volume in order to become better equipped to offer competitive services and prices. If our Co-Operative Wholesalers are to be competitive with "big business," it is desirable that we also get to be "big business" through the process of amalgamating our regional wholesalers. An amalgamation of the Saskatchewan Wholesalers with \$31,500,000 sales, and the Manitoba Wholesale with \$7,500,000 sales would produce an annual sales volume in an amalgamated organization of almost \$40,000,000. This combined sales volume should not only prove beneficial in improving commodity services, but also should provide better bargaining power in the purchasing of commodities.

2. "It is felt that by amalgamation the Wholesale organizations in the two provinces, many duplications in staff and services could be eliminated, which should produce additional savings to co-operative local associations in both provinces.

3. "It becomes increasingly evident from year to year that only by producing many of the commodities required on our farms and in our homes, can we control the quality of such products and be sure of producing products for ourselves at reasonable prices. The producing of many products, however, requires large volume for economical production. The proposed amalgamation is a major step toward building the required volume for productive facilities in many lines.

4. "It does not seem right or sensible to confine co-operative wholesale operations within provincial boundaries when there is so much evidence that by wiping out such boundaries we can expect to obtain better services, more services, and the possibility of greater savings."

**Amalgamation Ratified** — The annual meeting of Saskatchewan Federated Co-Operatives Ltd. held in Saskatoon, January 4th, 5th and 6th, 1955, and a special general meeting of the Manitoba Co-Operative Wholesale, held in Winnipeg, January 5th, 1955, unanimously passed a resolution to ratify the amalgamation of these two organizations, to be effective as from the 1st day of January, 1955.

**The Future** — The constitution and bylaws of the newly formed Federated Co-Operatives Limited are adequate for the inclusion of Alberta at the appropriate time. The year 1955 will be fully occupied in the reorganization and consolidation of the operations of Federated Co-Operatives Limited in the Provinces of Manitoba and Saskatchewan.

**A.C.W.A. Objective** — The following resolution, passed unanimously, at the annual meeting of the A.C.W.A. held in Edmonton on January 11th and 12th, 1955, clearly sets forth the objective of the A.C.W.A. on this matter of amalgamation.

#### AMALGAMATION RESOLUTION

WHEREAS our last annual meeting, by resolution, instructed our Board of Directors to explore the possibilities of consolidating, on a Prairie Regional basis, the co-operative distribution and production of consumer goods and farm supplies.

AND WHEREAS, the first step towards this objective has now been attained through the amalgamation of the Manitoba Co-Operative Wholesale Limited and the Saskatchewan Federated Co-Operatives Limited.

AND WHEREAS, it is desirable to complete the final step towards this objective by amalgamating the Co-operative consumer and farm supply business in Alberta with that of the newly formed Federated Co-Operatives Limited.

AND WHEREAS, the proposed new constitution and bylaws of Federated Co-Operatives Limited are designed with this final end in view.

#### THEREFORE BE IT RESOLVED:

That this annual meeting of the Alberta Co-Operative Wholesale Association Limited authorizes and instructs its Board of Directors to seek amalgamation with Federated Co-Operatives Limited on the following basis:

(a) Preferably by co-operating with the U.F.A. Co-Operative Limited, to seek such amalgamation as a consolidated unit representing the whole of Alberta, or

(b) If such amalgamation is not desired nor favoured by the U.F.A. Co-Operative Limited, then, in that case, we instruct our Board of Directors to seek the amalgamation of the Alberta Co-Operative Wholesale Association Limited with Federated Co-Operatives Limited, on a basis that is mutually agreeable to both organizations.

**Consolidation with the U.F.A. Co-Operative Ltd.** The delegates of the A.C.W.A., by the above resolution, prefer to consolidate their business with that of the U.F.A. Co-Operative Ltd. and enter into amalgamation with Federated Co-Operatives Ltd. on a united basis representing the whole of Alberta.

Whether this can be done, depends on the ability of the directors of the A.C.W.A. and the U.F.A. Co-Operative Ltd. to find a common ground on which to consolidate for the purpose of entering into amalgamation with Federated Co-Operatives Ltd. A consolidated balance sheet, showing total assets, liabilities and equities of the respective members of both organizations and a joint committee on which both organizations are equitably represented, might be all that is necessary for this purpose.

In any event, the U.F.A. Co-Operative Ltd. has a competent board of directors to deal with this matter. They alone have the right and authority to decide and recommend to their own delegate body what action the U.F.A. Co-Operative Ltd. should take on this question of amalgamation with Federated Co-Operatives Ltd. Should the U.F.A. Co-Operative Ltd. decide to remain on an independent basis, then the A.C.W.A. board of directors have a mandate from its annual meeting to seek amalgamation between the A.C.W.A. and Federated Co-Operatives Limited.

**Advantages of Amalgamation to the A.C.W.A.** In addition to the four advantages already mentioned, namely: (1) Improved commodity services



# Hon. Mr. Maynard's Address

Friday, December 10th — F.U.A. Annual Convention

.....bad crops you have in some areas of the Province, there is a feeling among some of the people that they might be hard pressed to meet some of their obligations, they might face evictions and seizures.

I have been asked to come here to explain to you the laws that are on the Statute Books of the Province at the present time to protect people who might find themselves temporarily embarrassed by debt because of the crop situation this fall.

In the first place let's deal with the question of evictions.

There are two manners that come under this heading. First of all there's the Tax Recovery Act evictions for non-payment of taxes. As you know this Tax Accounting Act was passed many, many years ago, and was designed originally to take away the land of people who failed to pay their taxes. In 1936 the whole conception of the Tax Recovery Act was changed, and at that time before

## AMALGAMATION FOR A PRAIRIE REGIONAL CO-OPERATIVE WHOLESALE

(Continued from previous page)

and better bargaining power; (2) wider use of expert and experienced personnel; (3) co-operative ownership of productive facilities; (4) increased savings through greater volume, the A.C.W.A. would be part of a successful co-operative organization, whose achievements and prestige should attract co-operative investments from Alberta co-operators that are so essential for the purpose of putting the consumer co-operative movement in Alberta on a sound financial basis. The average Alberta farmer has a larger gross income than the farmers in Manitoba and Saskatchewan. His investment in his local co-operative should be equally as great as theirs.

**Questions** — Two pertinent questions were raised at the recent A.C.W.A. annual meeting.

(1) What would happen to our present A.C.W.A. deficit?

**Answer** — It would be charged to the present A.C.W.A. equity holders on an equitable basis and be completely eliminated before amalgamation could take place.

(2) What would happen to the A.C.W.A. retail stores?

**Answer** — The responsibility for policy regarding the A.C.W.A. retail stores would be that of the Directors of Federated Co-Operatives Limited on which board, of course, would be directors from Alberta as well as Manitoba and Saskatchewan. Probably, over a period of time, these stores might be organized on a local autonomous basis following the pattern of co-operative stores in the other two provinces.

anyone could have the land sold by the Municipal District for taxes and thus lose their land or lose possession of their land, the Municipality required the approval of the Minister of Municipal Affairs to dispossess anyone from his land. Ever since then that principle has been detained in the Tax Recovery Act, and today the situation is this: Although your land may be put up for sale for non-payment of taxes, if the land is occupied, the land cannot be sold without the approval of the Minister of Municipal Affairs. When your Special Committee or delegation was before the Cabinet the other day, I indicated to your delegation that while I held the office of Minister of Municipal Affairs there was only one person who was dispossessed for non-payment of taxes, and that was a judgment up in the Lac la Biche country, who was in a position to pay his taxes if he wished to, but who defied all authority to collect from him and said he would never pay his taxes in spite of the fact that all his neighbors had paid their taxes, and this man had the wherewithall to pay if he so wished. After pleading with him and urging him to pay and writing him personally, there was only one thing that could be done for the general welfare of the district, that was to dispossess the man, and that was done. But that was because he was absolutely determined that society owed him his land, he had no obligations to society and he refused to pay.

There were two other cases of a similar nature during the time I held office.

Now, ladies and gentlemen, that makes three cases where people have been dispossessed for non-payment of taxes since 1936; the percentage, I think you will agree, is extremely small. Now the reason is because we protect every taxpayer in the province if his failure to pay taxes is because of his inability to pay due to circumstances beyond his control. Insofar as eviction for taxes therefore, is concerned, you need have no worry on that score. Foreclosure evictions is another matter.

When the crop situation developed this year, I held a meeting of the Association of Mortgage Companies and Insurance Companies in the Province of Alberta and discussed with them the serious situation that might develop if foreclosure procedures were to be started wholesale as the result of farmers being unable to pay their interest or principal payments because of the crop situation. I was assured at that time by the Mortgage Companies and the Life Insurance Companies that there would be no wholesale proceedings started in this province this year; that the only cases where foreclosure proceedings would be started would be cases that had become so hopeless, not because of the crop situation this year, but because of non-payment in the past



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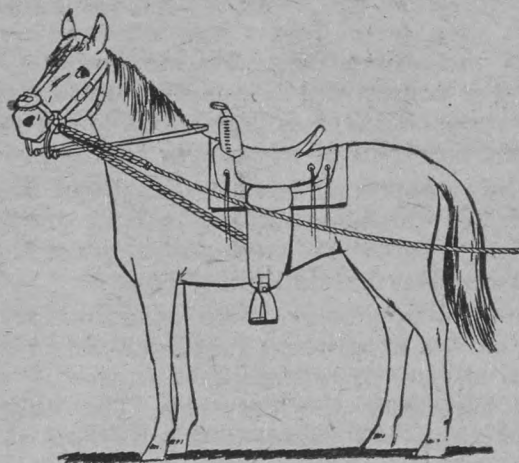
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couple of years that the equity that the person might have in his land would have been completely wiped out. And even then, I was informed, if there would be any possibility of any individual rehabilitating himself to the extent of being able to meet his payments in the future, he would be given the opportunity of so doing.

Now we were not satisfied with the statement of policy on behalf of the mortgage companies and life insurance companies; we wanted to assure ourselves that there would be no wholesale dispossession or evictions through foreclosure proceedings. Today, whenever a foreclosure proceeding is started in the province, a copy of the proceedings is submitted to the Debtors' Assistance Commission, (will explain that to you in a moment), who immediately notifies the farmers or the debtors that the services of this office are available free of charge if they want to avail themselves of these services.

Now what is the Debtors' Assistance Commission? You will recall away back in the depression years we had the Debt Adjustment Board that was instituted by previous administration and continued by this present government, for the purpose of providing assistance to debtors in making arrangements and settlements with their creditors. Once the war started and we had some kind of prosperity returned to the farmers of the province particularly, the work of the Debt Adjustment Board was reduced considerably. So much so, that we have at the present time maintained in the Debtors' Assistance Commission more or less a skeleton office, a skeleton staff, for the purpose of providing the same type of assistance that we were providing in the hungry thirties.

Now we have been criticized at times for maintaining this office; the office consisting at the present time in Edmonton of a chairman and two other members of the Board. But the reason we maintained the office in Edmonton and Calgary, was be-

cause we could see a day coming when possibly the farmers would require this assistance once more. The time is on us now. And although the board in the past has not been too busy, they have had sufficient work even in the good years, to look after the interests of debtors that were in difficult circumstances and could not afford the services of lawyers, or a lawyer to help them arrange settlement of their debts with their creditors.

Now the Debtor's Assistance Commission is still in operation and is available to any farmer, any debtor in the province who finds himself embarrassed by, hard-pressed by his creditor and unable to make satisfactory arrangements with his creditor. We urge everybody to take advantage of the services of the Debtors' Assistance Commission if they are inclined to do so, because you have two reasons: First of all, the services provided by the Commission are free and that is somewhat of a factor when you are unable to pay your debt or unable to pay the services of a lawyer to help you out. But a second reason is because the Debtors' Assistance Commission has acquired a wealth of experience throughout the years, and is in a position to negotiate for settlement of your debt possibly better than you are, well certainly better than you are, if you are unable to arrive at any kind of an understanding with your creditor at all. The first need is very large at the present time, and the Chairman of the Board has been with the Board for many, many years, and he has proved to be an extremely good man. Now, his services are available not only in his office, but if there is a foreclosure application coming up before the court, he will go to the court chambers for you and put up case to the judge in chambers for you. He is not a lawyer but he is listened to and he is heard by the judges in chambers.

Consequently we feel satisfied that there will be no dispossession as a result of foreclosure proceed-



ings this year on a wholesale scale; there might be the odd case where the judge feels that the situation is so hopeless that the mortgage company should be entitled to realize on its mortgage or on its agreement for sale. That would be a very rare case indeed. We have had those cases even in good times, there may be a few more now that we are facing a somewhat serious situation as a result of the crop, but there will be no wholesale evictions for non-payment of mortgages in this province.

The question of seizures has been raised. Here again, the question falls into two categories: seizures for non-payment of taxes, and seizures for non-payment of debts for civil obligations.

Insofar as the taxes are concerned, I think you will find the experience of Municipalities is such that there will be no wholesale seizures by any Municipal District in the province. The only time the Municipality will resort to this method of collecting taxes, will be in the case where the man is in a position to pay, and refuses to pay. Now, should the situation be otherwise, we will be very pleased to be kept informed so that we can take appropriate action with the Municipalities in the province.

But remember, ladies and gentlemen, that Municipalities represent you yourselves. Municipalities are farmers just like yourselves; they are hard hit by the crop situation just as yourselves; and they realize that in order to be fair to themselves, they must also be fair to you. And I'm satisfied that you will have no trouble with M. D.'s in the province by way of seizures for non-payment of taxes.

Now, what is the situation about the other seizures? Seizures for non-payment of debts? Well, here again you have two types of seizures—seizures that will be made as a result of a judgment obtained by a creditor; and seizures that may be made as a result of a conditional sales agreement, cars, automobiles, machinery, and so on.

Insofar as seizures re judgments are concerned, we have on the Statute Books of the province the Exemptions Act which provides a wide list of exemptions particularly for farmers, that a person cannot seize, a creditor cannot seize, to satisfy a claim against a farmer. The Seizures Act also applies to non-farmers, but the exemptions in the case of non-farmers is not quite as wide as in the case of farmers.

The type of seizures we have been informed is most serious is seizure for farm machineries, trucks and automobiles which do not require a judgment on the part of a debtor to seize, they can be seized under the terms of a conditional sales agreement on a lien note.

Now, ladies and gentlemen, as I explained to your delegation on Wednesday afternoon, it is rather strange that just this week, Monday afternoon, I received a delegation of the finance companies complaining about the difficulties they had in making seizures against farmers in the province. And their complaint was very, very emphatic. Now, their complaint was two-fold: First of all, they complained

about the officials in the Attorney-General's Department, the sheriffs, the bailiffs and so on, in not carrying out their duty as they should under the law in making seizures when requested to do so by the finance companies, the other people who have liens on equipment, and so on. They pointed out to us many cases where the bailiff will refuse to make the seizure, will go out to make the seizure and come back without having made the seizure. They said that is not carrying out their responsibility according to the laws of the province, and the seizure should be made and re-possession taken. Now, that's the first complaint.

The second complaint is this: That when a seizure was made, it was difficult for the finance companies to put in an order for sale on the articles duly seized by the court, from a judge, if the debtor, the farmer were to file notice on the judgment with the judge. And they pointed out many cases where they had been up in District Court Chambers month after month endeavoring to obtain an order from the judge to sell the article that was seized on which they held a lien, and in some cases adjournment given by the court for a period of well over the year. And of course during that period no payments were made so they claim, and the article, the truck, the farm machinery, was depreciating.

I'm giving you the complaints of the finance companies as an indication, that although you may be complaining about seizures made by your creditors, the creditors are also complaining about the fact they cannot realize on their claim when they do make a seizure, and that in many cases they are unsuccessful in making a seizure.

It is also interesting to know that next Monday afternoon, I have another delegation coming to see me, creditors, the Automobile Dealers' Association of the province. I presume that their complaints will be along the same line. I don't want to speak beforehand, but better wait and see what they have to say; but it's possible to surmise.

Now, what is the situation? Why have we got the complaints on the one hand on the part of farmers that they are being hard-pressed by their creditors and seizures are being made, and we have complaints on the other hand by the creditors that they are unable to seize, and when they do seize, they are unable to realize? Well, the situation is simply this, ladies and gentlemen. And here is the law:

Before anyone can make a seizure upon a debt, he must first of all obtain a judgment and then the seizure is made through the sheriff and the bailiff on directions of the creditor. That only applies where there is no lien against an article, such as conditional sales agreement or a lien note for cars or the sale of farm machinery, and so on.

In the case of cars and farm machinery, where there is a lien, the law used to provide that the creditor himself could go out and make a seizure and re-possess immediately. That was changed



several years ago, and no creditor, at the present time, can go out and re-possess personally, make a seizure and re-possess, unless, note, unless the farmer is willing to let him re-possess. Point: and in many cases the problem arises with the debtor, with the farmer himself.

The seizures are to be made by the sheriff or the bailiff, the sheriff's representative in the district where the debtor resides, or where the article under lien is retained. Nobody else.

If the creditor comes to you, and charges that now, if you don't return your car or return your truck, return your farm machinery, we're going to have it seized, we're going to realize, and so on, and you give it to him, that is your own fault. Because the law is there to protect you as long as you want to take advantage of it.

Now, what is the procedure when a seizure is made? Along with the notice of seizure the debtor receives, in every case, a stamped addressed envelope addressed to the sheriff, in Edmonton or Calgary or in whatever Municipal District the debtor may be residing, along with a notice of objection to the seizure, and all the debtor has to do is to sign the notice of objection, and put it in the stamped, addressed envelope, and mail it at the Post Office. Now, that is if he has objection to the seizure.

If he does not do that, then possession is pretty well automatic. You have no protection, you have waived your rights, you have waived any claim you may have to protest. But if you do protest, then what is the procedure?

Before the creditor can sell the article that is seized, he must apply to the court for an order for sale. At that time you will receive notice, the debtor receives notice of the application; the debtor is in a position to appear before the judge, or have someone appear for him, and tell the court the story why he cannot meet the payments and plead for an extension of time. Now, that is the type of case where the finance companies are complaining about not being able to get satisfaction from the court. Because, according to finance companies, and this is also our experience, the judges lean over backward to see to it that the debtors have every opportunity of paying their claims in the future. And if the reason for their default is something beyond their control, bad crops or something else, our experience is that the judges will protect the debtor and give him an extension of time in which to pay.

Now, ladies and gentlemen, remember this. You can only get that protection from the court providing you file notice of objection, to start with, and then appear before the court when the application is made.

Now, there are several ways of appearing before the court; you can appear personally; you can have your lawyer appear for you; you can ask the Debtors' Assistance Commission to assist you, or else you can write a letter to the court, and that letter that you write to the court, will be read in the

court and the judge will take note of the letter. I am not saying that the letter is the best solution; you can't always say what you want in a letter, and a personal appearance or someone on your behalf, is usually far better than a letter; but we do know that in many cases that the judge has acted simply on the fact that the debtor has written a letter, sent it to the court, asked for an extension of time, and pointed out the reasons why he was unable to pay. Now, that is the situation as far as seizures are concerned.

And, again, I want to repeat, because I cannot repeat it too often, and this statement I have made even in the hungry thirties, that all the government can do in the question of debt, is enact legislation for the protection of the debtors, if the debtors want to take advantage of the legislation. And if the debtors do not want to take advantage of the legislation, or fail to take advantage of the legislation, well then, the debtor has no one to blame but himself.

Ladies and gentlemen, there may be a lot of other things and a lot of details that I have not gone into. All I have been trying to do is give you a broad picture of the legislation we have at the present time to assist debtors. If you want some further clarification I will be very pleased to give it to you.

Question: If the machine company has repossessed that machine, that machine has been sold, and sold at a price much less than what the debtor owed on it, I understand that they can come back on him for the difference. Is that correct?

Answer: No, that is not correct. Some few years ago we enacted legislation that required a creditor, a lien note holder, or vendor under conditional sales agreement, be given the right to exercise an option of either suing for the debt and taking his chances along with other creditors in any seizure that might be made; or if he repossessed the machine, the machine that he repossessed settle the debt. That also applies to mortgages. When a mortgage company obtains a foreclosure order, or when a machine company or a finance company obtains an order for re-possession, an order for sale, they take the article as full settlement of their claim regardless of what they may realize on it.

Q. This deals with the oil, and the oil companies. I understand that one Municipality in Alberta is endeavoring to tax the farmer for the site, calling it a commercial site on his land. Now, does your government have any legislation to protect the farmer in that case; because he has been given arbitration, and in all probability the arbitration that he has been given will not, well, it will take a large quantity of that, a large slice of that, to pay his extra taxation, if they can do this?

A. If I understand the question is this — that one Municipality in the Province is endeavoring to tax the farmer for the site on which an oilwell has been drilled and which has been leased to the oil company. (They're calling it commercial site, Mr.



Maynard). They're calling the site where the well is, a commercial site? The question is, has the government done anything to protect the farmer against that type of assessment of taxation by the Municipality. Is that correct? (Is there any legislation to cover that)? This is the first time this problem has been called to my attention. I do not know just what the situation is; I would have to look up the Municipal Districts Act in order to ascertain what the situation is. I think possibly the Minister of Municipal Affairs would be in a better position to deal with that than I would, as it has never been called to our attention before.

Q. Mr. Maynard — for your information, the matter was taken up in B. C. I'm a B. C. man, and the B. C. government said if legislation was not on their books, they would protect the farmer. It would be put on and it was.

A. Well, I can't speak for the government here now, for I have no doubt that you have a resolution on this subject to be submitted to the government, and when it is submitted, the Minister of Municipal Affairs will be there, the government will act on it.

Q. Mr. Chairman, it is more in the question that is asked by the previous delegate. In last year's session it appears that there was an Act, a new Act set up whereby the well site becomes an industrial area, not commercial, an industrial area, and in our Municipality, that's Stony Plain, the chairman of the assessors instructed the assessors in our Municipality to assess those well sites on the farms against the farmer, and the valuation is \$167. But in our case we were fortunate enough that they didn't get our assessment out prior to the first of July and we have been able to have it set back. The Act I understand, was passed at your last session, was it not, Mr. Maynard?

A. As I indicated before, I am not aware of it. That is legislation that comes under the Department of Municipal Affairs, but as I have also indicated, I have no doubt that you will have a resolution and it will be discussed by the government when it comes up.

Q. In cases of farm machinery where a lien was given and terms of contract agreed upon, that there was no appeal to the judgment act? Is there any other form of protection in these cases in which seizures are made?

A. Now, you did not quite understand what I indicated. When a person buys a car or farm machinery under a lien note, the creditor has security on the car or the farm machinery. He can realize on the security by seizing the article that he has sold. That's one remedy that is open to him. If he seizes the article sold, then he has to accept the article in full satisfaction of his claim, regardless of the value of the article or the value of his claim, the amount of his claim. But he also has another alternative. If instead of seizing the car or the farm machinery, he prefers to sue the debtor, and obtain judgment against the debtor, he may do so; but

immediately he does that, he loses his priority that he has under the article held under the lien note for conditional sales agreement. And if the article is then seized under the judgment that he has obtained, he has to share, pro rata, with all other creditors what the debtor may have. In other words, the judgment may give him a wider scope to realize on his claim, but it also gives all other creditors the opportunity of sharing any assets that might be seized for any amount that the sheriff might obtain under any seizure that is made. The priority that he has on his lien note then disappears.

Q. That's the way I understood it, as explained. But in the first case where the creditor takes action on the first basis, he seizes under the lien of the terms of the contract, as the debtor is in a position where he is unable to pay or do anything, yet I was asking, is there any recourse? Not in the second case, I understood, in regard to after suing for judgment; but if the creditor took to the first course and seized under the terms of contract, is there any protection, if the debtor cannot pay?

A. Well, there is protection under the Seizures Act. The creditor cannot dispose, re-possess or dispose of the articles seized without a court order, if the debtor files a notice of objection. Now that's a big if. And that is something that depends on each individual debtor. The protection is in the legislation. If the debtor does NOT file notice of objection, well then of course, the debtor is going to lose out. There is the other case, and this is the one that I think, is giving you people the most trouble. It is the action of the debtor in voluntarily turning over to the creditor his farm machinery or his car, or his truck, simply because the creditor comes along and puts up some fine story and bluffs the debtor into doing so. That again, is something that we cannot help, that is action that you take voluntarily.

## F. U. A. NEWS

Mr. Earl Grimson of Red Deer, will be guest speaker at the February 14th meeting of the Benalto F. U. A. Local No. 982. His topic will be on the Surface Rights Protective Association.

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J. E. BROWNLEE

## "Co-operative Efforts of Canada and U.S.A. Prevented Disastrous Price Slump"

STATES J. E. BROWNLEE, PRESIDENT OF THE UNITED GRAIN GROWERS LIMITED, IN NEW YEAR'S RADIO BROADCAST TO FARMERS.

Extracts from Mr. Brownlee's address:

"The crop of the year just ended demonstrated that grain reserves, even large reserves, are not a national liability and danger when they result primarily from successive bountiful crops and not from the loss of sales and export markets, and when such reserves are strongly financed and strongly held.

"Canada as a whole is relying this year upon old crop wheat to keep this country in the export wheat business, from which otherwise we should have to retire for a year. 1954 did not give us any export surplus of the high grade milling wheat which has made the reputation of Canada in the past, and which countries abroad want to continue buying from us.

"It is my personal belief that the co-operative efforts of the Governments of Canada and the United States, working through Government Agencies, prevented a disastrous slump in wheat prices last summer; that these efforts have tended to stabilize farm income, and have enabled western agriculture to make greater contribution to national well-being than would otherwise have been the case.

"To business men in Canada I suggest that a study of the events of the past six months in western agriculture shows the value to our Canadian economy of moderate and well considered price supports for our main farm products, such as the Dominion now provides for some products.

"Admittedly, if Western Canada were to go on producing year after year such extraordinarily heavy crops as were harvested in the three years preceding the current season, the west might have to cut down wheat acreage through lack of sufficient export demand and to absorb such production, but no one supposes

that such yields will be continually possible. But let me add that on a basis of long term averages western farmers have given sufficient proof of productive powers to justify confidence in the future.

"I do not want to leave the impression that we are now travelling under clear skies. The wheat grower finds some cause for worry when he looks forward across the international border to the wheat situation of the United States. There, too many farmers have been growing too much wheat on too many acres, encouraged by government guarantees of price levels, now recorded as too high to be permanently maintained.

"With a great deal of goodwill toward Canada and the United States the Government is trying to refrain from damaging, either the international price level for wheat, or Canadian interests in certain markets abroad. With equal goodwill, and with no desire to be critical, we say frankly that it can't be done; that of course the international price level has suffered and of course the interests of Canada are bound to suffer under present conditions.

"It is a great error to assume that all the marketing problems of western grain producers have been solved just because we have the Canadian Wheat Board or an International Wheat Agreement. Quite the contrary. Marketing methods are useful only insofar as we have markets. Maintaining and expanding markets abroad is a part of national trade policy, something that the western farmer must never allow to be threatened. ... A sound national trade policy is a matter of the utmost concern to the prairie farmer."

COPIES OF MR. BROWNLEE'S COMPLETE ADDRESS MAY BE OBTAINED  
BY WRITING THE CALGARY OR WINNIPEG OFFICES OF

# *United Grain Growers Ltd.*

# What Has Been Done

On entering into the New Year of 1955 the Alberta Wheat Pool wishes to express its appreciation of the patronage given Alberta Pool Elevators by so many grain producers in the past years. It is only through the loyal support given this farmer-owned co-operative over the years that it has been able to achieve what has been done.

It should always be kept in mind that the Alberta Wheat Pool is owned by farmers and is operated for their benefit. This organization relies on substantial patronage. Such brings down the cost of handling and enables the Wheat Pool to extend its operations and pay larger patronage dividends.

In recent years congestion in country and terminal elevators has prevented many Pool members from patronizing their own Pool facilities. It is hoped that these members will restore their patronage to Pool Elevators when the congestion is relieved.

New members are always welcome and will find that Pool Elevator agents will give them the best of service and that they will benefit in many ways by patronizing Alberta Pool Elevators.

The following table shows the distribution of earnings made by Alberta Pool Elevators in the 1953-54 crop year. Appraisal of the table will give an understanding of how a co-operative operates.

## Distribution of Earnings:

Income tax .....	\$99,364
Retained as working capital .....	115,257
Balance to be distributed as follows:	
Cash patronage dividend .....	601,389
Credit to member patrons' reserve accounts .....	1,632,096

**TOTAL .....** \$2,448,106

## Patronage Dividends on 1953-54 deliveries:

Cash .....	\$ 601,389
Wheat Pool reserves .....	1,632,096

**TOTAL .....** \$2,233,485

## Reserve Position:

Wheat Pool reserves outstanding, July 31, 1954 .....	\$8,897,914
Less proposed purchase .....	634,896

**\$8,263,018**

Reserve credits, 1953-54 dividend 1,632,096

**Total outstanding .....** \$9,895,114

## Building Program 1954-55:

Terminal (half of \$2,000,000 total) .....	\$1,000,000
Country elevators and annexes .....	1,500,000
Dwellings .....	100,000
Equipment .....	50,000

**\$2,650,000**

## Working Capital:

As at July 31, 1954 .....	\$5,334,260
Earnings retained .....	1,112,457

**New working capital .....** \$6,446,717

